Saskatchewan
Ministry of
Agriculture

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All stated cattle prices are based on the weekly Canfax Market Outlook and Summary.
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Cattle Market Update

For the Week Ending March 8, 2013

All prices are quoted in Canadian dollars per hundredweight ($/cwt) unless otherwise stated.

Feeder Cattle

Steers

	Range	Average	Change from last week
300-400	-	-	-
400-500	147-169	155.60	+3.93
500-600	140-162	148.75	+1.97
600-700	131-150	140.42	+2.64
700-800	125-137	131.79	+1.48
800-900	120-129	124.96	-0.25
900+	115-123	117.84	-0.66

Heifers

	Range	Average	Change from last week
300-400	140-150	146.33	-
400-500	131-144	137.00	-0.55
500-600	125-139	132.21	+1.71
600-700	119-135	125.63	+1.71
700-800	114-125	119.21	+0.90
800+	110-120	114.75	+1.12

Source: Canfax.
Note: Prices are determined from Saskatchewan auction marts' reports of sale results from Thursday of the previous week to Thursday of the current week.

Canfax reported that 13,486 head of cattle were sold in Saskatchewan this week, down from 19,122 head marketed during the previous week.

Feeder cattle prices were primarily higher this week with the exception of heavier weight steers and lighter weight heifers. Steers from 400 to 700 lb. experienced modest increases this week while steers over 800 lb. had minimal decreases. The 500 to 800+ lb. heifers saw limited gains ranging from $0.90 to $1.71 per cwt.

The benchmark 500-600 lb. feeder steer average price increased $1.97 per cwt to $148.75 per cwt while the 500-600 lb. feeder heifer average price increased $1.71 per cwt to $132.21 per cwt. The steer to heifer price spread increased to $16.54 per cwt, compared to $16.28 per cwt the previous week.

The Saskatchewan 750 lb. feeder steer basis compared to the March 7, 2013 U.S. feeder cattle index at US$138.64 per cwt was calculated at -$10.89 per cwt, an improvement of $1.44 per cwt from -$12.33 per cwt the previous week.

Statistics Canada released the January 1, 2013 cattle inventory numbers on March 6. Total Canadian cattle inventory numbers as of January 1, 2013 were estimated at 12.275 million head, up 60,000 head or 0.5 per cent from 12.215 million head on January 1, 2012. Beef cow inventories were estimated at 3.956 million head on January 1, 2013, down 1.0 per cent from 3.998 million head on January 1, 2012. Beef heifers for breeding were estimated at 569,800 head, up 5.6 per cent from 539,600 head on January 1, 2012.

Total Saskatchewan cattle inventory numbers as of January 1, 2013 totaled 2.450 million head, down slightly from 2.455 million head on January 1, 2012. Beef cow inventories were estimated at 1.180 million head, down 1.9 per cent from 1.203 million head as of January 1, 2012. Beef heifers for breeding were estimated at 161,000 head, up 6.2 per cent from 151,600 head on January 1, 2012.

Fed and Non-fed Cattle

	March 8	March 1	Change
Steers			
Live	n/a	n/a	n/a
Rail	n/a	n/a	n/a
Heifers			
Live	n/a	n/a	n/a
Rail	n/a	n/a	n/a
Cows (Alberta)			
D1,2 Live	75.20	74.17	+1.03
D3 Live	66.06	65.14	+0.92
Rail	142.00-147.00	142.00-147.00	+0.00

Source: Canfax.

Prices for liveweight, non-fed cattle in Alberta were higher from the previous week with D1,2 slaughter cows increasing $1.03 per cwt to average $75.20 per cwt, while D3 slaughter cows increased $0.92 per cwt to average $66.06 per cwt.

Fed cattle prices in Western Canada moved lower with the price of fed steers in Alberta reported at $114.22 per cwt, down $1.80 per cwt or 1.6 per cent from $116.02 per cwt the previous week. The fed cattle basis (Alberta cash to U.S. 5-area cash) was calculated at -$17.22 per cwt, an increase or widening from -$15.27 per cwt the previous week.

The live (FOB feedlot) weighted average 5-area (Texas/Oklahoma/New Mexico, Kansas, Nebraska, Colorado and Iowa/Minnesota) weekly fed steer price in the U.S. was reported at US$127.72 per cwt, down slightly from US$127.82 per cwt the previous week. The dressed (delivered basis) price for U.S. steers delivered to plants in the 5-area was reported at US$203.15 per cwt, down slightly from US$203.25 per cwt the previous week.

Average beef cutout values (Choice 600-900 lb.) for the week ending March 10 averaged US$195.02 per cwt, up 5.1 per cent from US$185.49 per cwt the previous week, but down 0.8 per cent from US$196.65 per cwt for the same week a year ago.

U.S. beef production last week for the week ending March 10 was estimated at 475.0 million lb., up 5.4 per cent from 450.4 million lb. during the previous week, but down 4.8 per cent from 498.9 million lb. a year ago.

U.S. weekly cattle slaughter numbers for the week totaled 595,000 head, up 5.7 per cent from 563,000 head the previous week, but down 5.9 per cent from the same week a year ago.

Both feeder cattle and live cattle futures prices moved lower on export demand concerns. Nearby feeder cattle futures were US$2.575 to US$3.550 per cwt lower (1.8-2.4%), while live cattle futures were US$1.725 to US$2.400 per cwt lower (1.4-1.8%), week-over-week. USDA's March WASDE report released Friday projected further increases in red meat and poultry production for the United States in 2013. This will be negative for the meat complex.

Weekly cash corn prices and corn futures (except March) moved lower, week-over-week.

Friday Price Information

Product		This Week (March 8)	Week of: (March 1)
Canadian Dollar (closing rate US$)		.9717	.9736
United States Dollar Index		82.751	82.266
U.S. Cash Cattle			
Thurs. Feeder Cattle (FC) Index (US$ per cwt)		138.64	138.87
Seven-day Weighted Average FC Index Wt. (lb.)		765	769
Live Fed 5-area Steer Price (US$ per cwt)		127.72	127.82
Feed Grains			
Barley	Lethbridge ($/tonne)	286.00	283.00
	($ per bu.)	6.25	6.16
Corn	Iowa State Average (CDN$/tonne)*	293.33	293.96
	(US$ per bu.)	7.24	7.27
	Omaha, NE (CDN$/tonne)*	295.35	299.63
	(US$ per bu.)	7.29	7.41
Futures			
	March Corn (US$ per bu.) at expiry	7.25¼	7.24¼
	July Corn (US$ per bu.)	6.80½	6.87
	April Live Cattle (US$ per cwt)	127.550	129.950
	August Live Cattle (US$ per cwt)	124.275	125.725
	March Feeder Cattle (US$ per cwt)	138.975	141.550
	October Feeder Cattle (US$ per cwt)	153.825	157.300

Sources: Bank of Canada, Iowa Department of Agriculture and Land Stewardship,
Chicago Mercantile Exchange (CME), ICE Futures Canada and USDA Livestock & Grain Market News
* conversion to CDN$ is based on Friday's CDN$ closing rate

USDA World Agricultural Supply and Demand Estimates

On Friday USDA released the March World Agricultural Supply and Demand Estimates (WASDE). On the meat side, numbers were again overall negative as the March estimates of red meat and poultry production for 2013 were revised upward by 741 million pounds or 0.8 per cent from February. U.S. beef production for 2013 was slightly increased to 25.110 billion pounds in March from 25.095 billion pounds in February, but still 3.1 per cent below 2012 production levels. U.S. pork production for 2013 was slightly decreased to 23.375 billion pounds in March from 23.425 billion pounds in February. The big change was that U.S. broiler production for 2013 was revised upward 625 million pounds or 1.7 per cent in March to 37.925 billion pounds from 37.300 billion pounds in February. Broiler production is estimated to increase 886 million pounds or 2.4 per cent from 2012 production, a substantial increase from a few months ago. Turkey production for 2013 was revised upward 150 million pounds or 2.5 per cent from February to March with 2013 production 3.5 per cent higher than 2012. (Source: USDA) http://www.usda.gov/oce/commodity/wasde/latest.pdf

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